

BEFORE THE
TENNESSEE STATE BOARD OF EQUALIZATION

<i>In Re:</i> William B. & Sheryl Samuels)	
Ward 68, Block 44, Parcel 21)	
Residential Property)	Shelby County
Tax year 2005)	

INITIAL DECISION AND ORDER

Statement of the Case

The Shelby County Board of Equalization has valued the subject property for tax purposes as follows:

LAND VALUE	IMPROVEMENT VALUE	TOTAL VALUE	ASSESSMENT
\$53,100	\$106,900	\$160,000	\$40,000

An appeal has been filed on behalf of the property owners with the State Board of Equalization ("State Board").

The undersigned administrative judge conducted a hearing of this matter on April 5, 2006 in Memphis. The appellants were represented by Harry Samuels, father of co-owner William B. Samuels. Staff appraiser Teri Brandon appeared on behalf of the Shelby County Assessor of Property.

Findings of Fact and Conclusions of Law

At issue in this appeal is the valuation of a ranch-style house that was built in the early 1960s on a rather steep incline at 50 South Yates in Memphis. To facilitate access to the sidewalk and street, a concrete walkway runs through the front yard. The appellants purchased this property in 1997 for \$119,795. There have apparently been no significant improvements to the home since the date of construction.

Based on his interpretation of recent sales data, Mr. Samuels sought a reduced appraisal of \$140,000 (roughly \$75 per square foot). All six of his comparables, Samuels testified, were one-story houses on level lots within six blocks of the subject property; and none of the cited transactions was a distress sale.

Although Ms. Brandon also presented neighborhood sales information, she proposed adoption of the so-called "cost value" (\$153,500) generated by the Assessor's computer-assisted mass appraisal system. In her opinion, that somewhat lower value adequately accounted for the slope of the lot as well as any functional obsolescence of the house.

Tenn. Code Ann. section 67-5-601(a) provides (in relevant part) that "[t]he value of all property shall be ascertained from the evidence of its sound, intrinsic and immediate value, for purposes of sale between a willing seller and a willing buyer without consideration of speculative values...."

Since the taxpayers seek to change the present valuation of the subject property, they have the burden of proof in this administrative proceeding. State Board Rule 0600-1-.11(1).

In the opinion of the administrative judge, the evidence of record better substantiates the appellants' propounded value. Whereas the Assessor's "CDU Rating" of the subject property

was "average," all five of her comparables were described as "good." Mr. Samuels' research revealed that each of those comparables contained a fireplace, and at least four of them included a separate laundry room and "eat-in" kitchen area. Further, as shown by the photographs, all of those homes were situated on relatively level lots. By contrast, the appellants' comparative sales analysis was largely unrefuted.

Order

It is, therefore, ORDERED that the following values be adopted for tax year 2005:

LAND VALUE	IMPROVEMENT VALUE	TOTAL VALUE	ASSESSMENT
\$53,100	\$86,900	\$140,000	\$35,000

Pursuant to the Uniform Administrative Procedures Act, Tenn. Code Ann. §§ 4-5-301—325, Tenn. Code Ann. § 67-5-1501, and the Rules of Contested Case Procedure of the State Board of Equalization, the parties are advised of the following remedies:

1. A party may appeal this decision and order to the Assessment Appeals Commission pursuant to Tenn. Code Ann. § 67-5-1501 and Rule 0600-1-.12 of the Contested Case Procedures of the State Board of Equalization. Tennessee Code Annotated § 67-5-1501(c) provides that an appeal **"must be filed within thirty (30) days from the date the initial decision is sent."** Rule 0600-1-.12 of the Contested Case Procedures of the State Board of Equalization provides that the appeal be filed with the Executive Secretary of the State Board and that the appeal **"identify the allegedly erroneous finding(s) of fact and/or conclusion(s) of law in the initial order";** or
2. A party may petition for reconsideration of this decision and order pursuant to Tenn. Code Ann. § 4-5-317 within fifteen (15) days of the entry of the order. The petition for reconsideration must state the specific grounds upon which relief is requested. The filing of a petition for reconsideration is not a prerequisite for seeking administrative or judicial review.

This order does not become final until an official certificate is issued by the Assessment Appeals Commission. Official certificates are normally issued seventy-five (75) days after the entry of the initial decision and order if no party has appealed.

ENTERED this 27th day of April, 2006.



PETE LOESCH
ADMINISTRATIVE JUDGE
TENNESSEE DEPARTMENT OF STATE
ADMINISTRATIVE PROCEDURES DIVISION

cc: Harry Samuels
Tameaka Stanton-Riley, Appeals Manager, Shelby County Assessor's Office
Rita Clark, Assessor of Property

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